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For each program in the American Recovery and Reinvestment Act, this document describes the program, the likely administering agency, some notes about eligibility and other issues, and an estimate of the amount of funding that will be directed to Illinois. (Unless better information is available, the funding is estimated by assuming that Illinois receives 4.2% of total federal funding, corresponding to the state's percentage of the nation's population.)

This information was last updated March 31, 2009. Please check CMAP's website, [www.cmap.illinois.gov/recovery](http://www.cmap.illinois.gov/recovery), for updates. Additional information can be found on the state's website, <http://recovery.illinois.gov/>.

### **Housing**

- Neighborhood Stabilization Program (NSP) is a competitive grants awarded by HUD to State governments, units of local government, non-profits or consortia of non-profits which may be in partnership with for-profits. These funds are available for the redevelopment of abandoned and foreclosed homes. Eligible grantees will be in areas with highest percentage and number of foreclosures as established by HUD. Information on eligible uses of NSP is available [here](#). 10% of the funds can be used for capacity building and support for local communities receiving the funding. HUD will publish grant criteria in early May, 2009. Estimated state funding: \$88 m (\$2 b nationally). – **updated 3/2/09**
- The Tax Credit Assistance Program (TCAP) provides grant funding (HOME funds) for capital investment in Low Income Housing Tax Credit (LIHTC) projects via a formula-based allocation to State housing credit allocation agencies. The Illinois Housing Development Authority (IHDA) will distribute these funds competitively and according to their qualified allocation plan. Projects awarded low income housing tax credits in fiscal years 2007, 2008, or 2009 are eligible for funding but priority will be given to projects that are expected to be completed by February 2012. 75 percent of TCAP funds will be committed by February 2010, 75 percent must be expended by February 2011, and 100 percent of the funds must be expended by February 2012. The allocation is \$95 m. For more information go to: <http://www.hud.gov/recovery/tax-credit.cfm> - **updated 3/2/09**
- The Homeless Prevention Program (Emergency Shelter Grant funds) will be administered for homeless prevention and rapid re-housing activities, which will be sent out to states, cities and local governments through the emergency shelter grant formula. Funds can be used for rental assistance, housing relocation and stabilization services, and other homelessness prevention and rapid re-housing activities. Under this program, HUD distributes the state allocation to DCEO (30%) which are made available through competitive grants available to units of general local government on behalf of not-for-profit organizations providing homeless assistance, and/or directly to not-for-profit organizations located outside the corporate limits of the City of Chicago and Cook

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County. The remaining 70% of the funds are distributed based on HUD's formula allocation to metropolitan cities and counties (for distribution to local governments and private nonprofit organizations). The allocation under ARRA to the State of Illinois: \$71m. To see the local breakdown go to: <http://www.hud.gov/recovery/homeless-prevention.cfm> - updated 3/2/09

- Community Development Block Grant (CDBG). A formula grant administered by HUD based on 2008 allocations; HUD establishes criteria to administer the funds. Funds can be used for a variety of infrastructure and housing activities; at least 70% of funds should be used to benefit low- and moderate-income persons. A portion of the funding (81%) is expected to be allocated to "entitlement communities" which include six counties (all except Kendall) and approximately twenty municipalities in the region and throughout the state. The remainder of the funds (19%) are expected to be administered by DCEO through the Community Development Assistance Program. Recent application materials and grant guidelines are available on the [website](#) for this program. Illinois Allocation under ARRA is: \$47 million. To see the local breakdown go to: <http://www.hud.gov/recovery/cdblock.cfm> - updated 3/2/09
- The Lead Hazard Reduction Program has four grant programs: Lead-Based Paint Hazard Control Grant Program, Lead Hazard Reduction Demonstration Program, Healthy Homes Demonstration Grant Program, Healthy Homes Technical Studies Grant Program. For descriptions go to: <http://www.hud.gov/recovery/healthy-homes.cfm>. Eligible applicants include those applicants that applied for funding in fiscal year 2008 that were qualified for award not funded (due to the limited of funds available). University of Illinois at Chicago is the sole recipient in northeastern Illinois. They will receive \$973,982 in funding for a Healthy Homes Technical Studies Grant. To read more go to: <http://www.hud.gov/recovery/healthy-homes.cfm> - updated 3/2/09
- Public Housing Capital Fund. This funding is meant to enable local public housing agencies to address a \$32 billion backlog in capital needs, especially those improving energy efficiency in aging buildings. Eligible activities include development, financing, and modernization of public housing. Administered directly by HUD, the funds are allocated to Public Housing Authorities based on 2008 formula allocations. While this funding would not go directly to local governments, coordination by local governments with these housing authorities is encouraged. The allocation for Illinois through ARRA: \$222m. To see local breakdowns by Public Housing Authority go to: <http://www.hud.gov/recovery/phcfund.cfm>. To view a press release from HUD on March 24<sup>th</sup> go to: <http://www.hud.gov/recovery/2009/03/24/comms/pr09-027.cfm?CFID=16104221&CFTOKEN=36398171> - updated 3/31/09
- Section 8 Energy Retrofit. This is a new program which will be administered through HUD's Office of Affordable Housing Preservation. It will make funds available in the

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form of loans or grants for energy retrofits or green investments. It is not clear how the funding will be administered. Grants available for this program are meant to improve energy efficiency in federally-assisted housing including Section 8. Estimated state funding: \$10 m (\$250 m nationally). *updated 3/2/09*

- Assisted Housing Stability and Energy and Green Retrofit Investments- will fund contract renewals under the Section 8 program for a full twelve-month cycle. Also, the program will provide competitive grants to eligible property owners to make energy and green retrofit investments in the property, to ensure the maintenance and preservation of the property, the continued operation and maintenance of energy efficiency technologies, and the timely expenditure of funds. Illinois will receive \$104 million in funding to renew 236 contracts. For more information go to: <http://www.hud.gov/recovery/pbrassistance.cfm> - *updated 3/31/09*
- Illinois will not receive any funding under the Native American Housing Block Grants. *updated 3/2/09*

### **Transportation**

- Surface Transportation Program (STP). Administered by the Council of Mayors and the City of Chicago. Funding has been distributed throughout the region through the Council of Mayors program. The Councils of Mayors will have finalized their project lists by mid-April. Many of the Councils are also preparing to substitute alternate projects in the event that the programmed projects run into unforeseen delays. Municipalities and counties are encouraged to work with their relevant Council of Mayors [planning liaison](#). Funding for local governments in northeastern Illinois is \$180 m. The Council of Mayors Executive Committee will meet in June to assess progress. – *updated 3/31/09*
- Transportation Enhancements. Administered by IDOT. It is expected that IDOT will re-evaluate current applications (submitted in May of 2008) for likely candidates for recovery funding. Many projects have received partial funding through prior rounds of enhancement programming, and the funding levels on these could be increased if they are “shovel ready.” Estimated state funding: \$28 m.
- Other transportation funds will be administered and programmed directly by IDOT or by the transit service boards (CTA, Metra, and Pace). Many of these projects are now included in the CMAP Transportation Improvement Program. Funding is also available for high-speed intercity rail, Amtrak, and airports, but these funds are not likely to be available for local governments. – *updated 3/31/09*

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- Please also note that transportation projects are eligible for funding under the Energy Efficiency and Conservation Block Grants described below; see that section for more details. – **new item 3/31/09**

## **Environment**

- Clean Water State Revolving Fund. Administered by IEPA. This program provides funding to local governments to construct wastewater infrastructure. In normal years, projects are selected by [criteria](#) based on state law, but ARRA gives first priority to projects that can go to construction within twelve months. There is no matching or cost-share requirement. Half of the funding made available to Illinois will be used to forgive loans or provide wastewater infrastructure grants. At least 20% of state funding is to be used for green infrastructure projects or to improve energy/water efficiency. More information is on the IEPA [website](#). Estimated state funding: \$177 m (\$4 b nationally). – **updated 3/2/09**
- Drinking Water State Revolving Fund. Administered by IEPA. This program provides funding to local governments to construct water infrastructure. In normal years, projects are selected by [criteria](#) based on state law, but ARRA gives first priority to projects that can go to construction within twelve months. There is no matching or cost-share requirement. Half of the funding made available to Illinois will be used to forgive loans or provide water infrastructure grants. At least 20% of state funding is to be used for green infrastructure projects or to improve energy/water efficiency. More information is on the IEPA [website](#). Estimated state funding: \$79 m (\$2 b nationally). – **updated 3/2/09**
- Watershed and Flood Prevention Operations. Administered by Natural Resources Conservation Service. In Illinois, about half of the funding could be used for flood control projects or studies with local sponsors (local government) who initiate the project. Benefits must be at least 20% to agriculture. The other half could be used through the Emergency Watershed Protection program to purchase easements from landowners on a voluntary basis on any floodplain lands that have been impaired within the last 12 months or that have a history of repeated flooding (see [rules](#) at Section 624.10). The easements would be restored with NRCS providing up to 100% of the cost. The sign-up period for this program has been extended to April 10. More information can be found at the [NRCS economic recovery website](#). – **updated 3/31/09**
- Brownfields grants. Administered by U.S. EPA. Several grant types available (brownfields assessment grants, brownfields clean-up grants, brownfields revolving loan funds, brownfields job training grants). The U.S. EPA is currently in its grant cycle for assessment and clean-up grants, and is evaluating applications already received for ARRA funds. However, the U.S. EPA announced that 10 job training grants (\$500,000 each) will be awarded with ARRA funds. Information about these job training grants

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can be found on the [U.S. EPA Recovery website](#). Applications are due April 20, 2009. In normal years, projects are prioritized based on community need, community partnerships, feasibility of success, and other factors. Funds will not be subject to cost-share requirements. Estimated state funding: \$4 m (\$100 m nationally). – **updated 3/31/09**

- Funds are also available for the Leaking Underground Storage Tanks and Superfund programs. It does not appear that local governments will be able to apply for funding through these programs; they will be directly administered by federal or state agencies (USEPA and IEPA).

## Energy

- Clean Cities funding. The Clean Cities program has announced a modification to the Clean Cities FY09 Petroleum Reduction Technologies Projects for the Transportation Sector Funding to include the new funding appropriated under the ARRA. Eligible projects include those that expand the use of alternatively fueled vehicles and advanced technology vehicles. The funding is targeted to state and local governments, in partnership with an active Clean Cities Coalition. The Office of Energy Efficiency and Renewable Energy (EERE) is currently accepting applications; total available funding is \$300 million. Visit the EERE website at: <http://www.afdc.energy.gov/cleancities/progs/solicitations.php> for more information, and contact Chicago Area Clean Cities Coalition (<http://www.chicagocleancities.org>) for partnership opportunities. – **new item 3/2/09**
- Energy Efficiency and Conservation Block Grants. These grants are meant to implement energy efficiency programs, including transportation improvements, and are targeted to local governments. The program will be administered by the Office of Energy Efficiency and Renewable Energy (EERE) of the US Department of Energy (DOE); the majority of funds are targeted towards highly populated cities and counties, either through direct formula grants or through state energy offices. Some funds have been set aside for a competitive grant program, but no guidance has been announced for this yet. Information about the formula program, funding allocations for eligible entities, and a link to the full Funding Opportunity Announcement can be found on the [Energy Efficiency and Conservation Block Grant Program webpage](#). Recently released allocations reveal that the Illinois State Energy Office is eligible for almost \$22 million, and in Northeastern Illinois, 39 municipalities and 6 counties are eligible to receive \$77 million in direct grants. The application deadline for local government is June 25, 2009. Total state funding: \$112 m (\$3.2 b nationally). – **updated 3/31/09**
- Weatherization Assistance Program. The Illinois Home Weatherization Assistance Program (IHWAP), under the Illinois Department of Commerce and Economic Opportunity (DCEO), administers funds for weatherization assistance programs to local community action agencies or non-profits throughout the state. Citizens in need of

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assistance apply directly to the agency provider in their area to determine eligibility and apply. More information about local providers is available on their [website](#). However, the amount of funding in the recovery plan is greater than the levels at which these programs are usually funded, and it is possible that different distribution mechanisms will be used. Total state funding: \$242.5 m (\$5 b nationally). – **updated 3/31/09**

- **State Energy Programs Funding.** Administered by the Bureau of Energy and Recycling within Illinois' Department of Commerce and Economic Opportunity (DCEO). The Bureau administers several programs to promote energy efficiency and renewable energy, including several for local government: technical assistance for energy efficiency improvements in buildings, described [here](#); energy management plans to identify and prioritize energy reduction measures and capital projects that provide the greatest return on investment (for large energy users with energy expenditures over \$500,000 annually), described [here](#); and Energy Performance Contracting, which aids in the design, installation, and financing of energy improvement projects for facilities, described [here](#). The State Energy Program also funds programs to promote renewable generation and alternative transportation. The DOE allocates funds to the states based on a formula (a third equally, a third based on population, a third based on energy consumption); funds will not be subject to state matching requirements. Illinois will see a nearly 100-fold increase in federal funding for its State Energy Program. Total state funding: \$101.3 m (\$3.1 b nationally). – **updated 3/31/09**
- **National Clean Diesel Campaign.** The NCDC has developed four programs to support clean diesel activities funded through the ARRA, to be administered directly by U.S. EPA. The programs focus on diesel emission reduction, emerging technologies to reduce emissions from diesel engines, innovative clean diesel financing programs, and state clean diesel grant and loan programs. National funds will not be subject to state program matching provisions, but will have new requirements for economic impact and fiscal reporting. The latest information on competitive grant opportunities through the economic recovery plan is available [here](#). Estimated state funding: \$12 m (\$300 m nationally). – **updated 3/31/09**
- In addition to these, considerable funding is devoted to other energy-related efforts, including: loan guarantees and bonds for renewable energy, modernization of electricity transmission, energy efficiency and clean energy research and development, and making energy efficiency adjustments at the federal level for buildings, fleets, military bases, etc. As more is learned about some of these programs, especially the loans and bonds, there may be an opportunity for local governments, but this is currently unclear.

### **Economic and Workforce Development**

- **Economic Development Assistance programs.** Administered directly by the regional office of the federal Economic Development Administration (EDA). Areas that have

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experienced sudden and severe economic dislocation and job loss will be given priority. One third of the funding is for economic adjustment assistance, which includes funding for public facilities, planning, technical assistance, and training. EDA released a Federal Funding Opportunity Notice describing the eligible uses and applicants, available here: <http://www.eda.gov/InvestmentsGrants/FFON.xml>. Applicants can now apply on line by clicking [here](#). The EDA's programs [website](#) contains more information. Estimated state funding: \$6 m (\$150 m nationally). - updated 3/31/09

- Workforce development programs through WIA formula. Worker training funds allocated through the existing WIA formula will be administered by DCEO and distributed to the Local Workforce Investment Areas; a portion of funds are reserved for State activities. Eighty percent of the funds must be allocated by June 30, 2009. The WIA law requires states to submit a state plan in order to receive the formula funds. The Employment and Training Administration (ETA) is requiring states to revise their current state plans to include modified strategies to address the current economic situation and to use the influx of ARRA funds. The guidance letter released March 18<sup>th</sup> includes an attachment detailing the content of the modifications (available here: <http://wdr.doleta.gov/directives/attach/TEGL/TEGL14-08.pdf>). States must submit their modified State Plan by June 30, 2009. The ETA plans on using the modified State Plans to communicate to the public the planned implementation of the funds, in addition to assist in monitoring implementation. States set the policy for when local plans must be modified; the ETA encourages States to review their policies and encourage modifications to local plans. - updated 3/31/09
- Other workforce development programs. Details on the \$750 million for competitive grants for worker training and placement in high growth and emerging industry sectors have not been released. As the bill states, \$500 million is for research, labor exchange and job training projects jobs in energy efficiency and renewable energy. Remaining funds are prioritized for training workers for careers in the health care sector. - updated 3/31/09

#### Other

- Community Services Block Grants. These grants are distributed by DCEO to Community Action Agencies (listed [here](#)); many of these are housed within county or local governments. A variety of community service activities, listed [here](#), are eligible. Estimated state funding: \$48 m (\$1 b nationally; state funding based on [2008 allocations](#).)
- Direct grants to local governments for state and local law enforcement and for firefighter assistance are also included; CMAP has not researched the distribution of these grants. National funding for this is over \$4 b.

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- Funds are allocated for the development and expansion of broadband through the new program referred to as the Broadband Technology Opportunities Program. The National Telecommunications and Information Administration will administer this program, with a budget of \$4.7 billion. An additional \$2.5 billion will be administered by the Department of Agriculture for broadband expansion into rural areas. - updated 3/31/09
- Please note that considerable funding is available for education, health, science, and other fields that are generally not within the responsibility of local governments. Grant funds for these programs are not described in this document.

CMAP welcomes feedback and additional information from local governments and other partners concerning the administration of this program. Please check our website at [www.cmap.illinois.gov/recovery](http://www.cmap.illinois.gov/recovery) frequently for updates to this document as well as other information concerning the economic recovery plan.